



ANDHRA PRADESH POWER GENERATION CORPORATION LTD

APGENCO – C & IS wing – Implementation of ERP – Orders – Issued.

---

G.O.O No: 371/C&IS/2008

Dt. 27-10-08

- Ref: 1. Note Dt.13.10.08 of Executive Director (IS).  
2. Minutes of 82<sup>nd</sup> meeting of the Board of APGENCO held on 16.10.08.

The Executive Director(IS) in his UO cited 1<sup>st</sup> above submitted that a proposal was circulated to the whole time Directors of the board of APGENCO for implementation of ERP in APGENCO at an estimated cost of Rs. 25 Crores and obtained their approval. He requested for ratification of the same. ED(IS) also submitted to the Board that certain employees need to be transferred temporarily to the IS wing. Two committees viz., an Apex committee with the MD/APGENCO as Chairman and all whole time directors as members for periodical review of the progress and approve modifications to the work flow and another committee called Steering Committee with the Director (Finance) as Chairman to monitor the day-to-day progress, suggest modifications to the work flow and implementation of the project in a stipulated time frame may be formed.

After careful consideration of the proposal submitted, the Board in its 82<sup>nd</sup> meeting held on 16.10.08 ratified the action of the whole time Directors of APGENCO in approving the proposal for implementation of ERP in APGENCO at an estimated cost of Rs. 25 Crores and formation of Apex Committee, Steering Committee and Core committee with the constitution and project charter mentioned in the Annexure for monitoring of ERP implementation and to go live on 9.9.09 at the pilot locations and approved the following:

- i) The services of Sri. Dinesh Kumar, Executive Director (IT), NTPC Ltd may be utilized as consultant for the ERP project.

- ii) The Managing Director/APGENCO is authorized to approve the proposals relating to ERP project from time to time.

Encl: Annexure

**(BY ORDER AND IN THE NAME OF A.P.POWER GENERATION CORPN LTD)**

AJAY JAIN  
MANAGING DIRECTOR

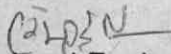
To  
Executive Director (IS)

Copy to:

PS to the Chairman/APGENCO  
PA to the Managing Director/APGENCO  
Dy.CCA to the Director (Finance)/APGENCO  
ADE (T) to the Director (Hydel)/APGENCO  
EE (T) to the Director (Technical)/APGENCO  
PO to the Director (HR)/APGENCO  
PO to the Director (Projects)/APGENCO  
Chief of Vigilance & Security  
Company Secretary/APGENCO  
All Functional Heads/Vidyut Soudha  
All Heads of the Generating Stations

C.No ED (IS)/DE (P)/F.ERP/ 565 /2008

//FORWARDED::BY ORDER//

  
Divisional Engineer (Purchases)

## ANNEXURE to the GOO NO DATED

<b>APGENCO ERP - Project Plan</b>			
<b>I</b>	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;"><b>Project Title: SHAKTHI</b> <i>(Inspiring for better Tomorrow)</i></td> <td style="width: 50%;"><b>Initiation Date : 11 - Sep - 2008</b></td> </tr> </table>	<b>Project Title: SHAKTHI</b> <i>(Inspiring for better Tomorrow)</i>	<b>Initiation Date : 11 - Sep - 2008</b>
<b>Project Title: SHAKTHI</b> <i>(Inspiring for better Tomorrow)</i>	<b>Initiation Date : 11 - Sep - 2008</b>		
	<b>System to <u>H</u>arness <u>A</u>PGENCO <u>K</u>nowledge <u>T</u>ransformation for <u>H</u>armony and <u>I</u>ntegration</b>		
<b>II</b>	<b>Project Description : Implementation of ERP Project in APGENCO</b>		
<b>III</b>	<b>Need for ERP</b>		
	<p>APGENCO is targeting a substantial increase in its generation capacity to become over 13659 MW company by 2012 by venturing into diversified portfolio including gas, new technology (such as IGCC) etc apart from setting up a number of new power projects/expansion thermal power projects. At the same time, APGENCO would focus on maximising the generation of the installed capacity by extensive R&amp;M programmes. The process improvements leading to enhanced operational efficiency (across functions) is key thrust area. APGENCO would also focus on improving internal ability to fund this capacity addition program. This would be done by placing emphasis on working closely with current/potential customers to ensure maximum realisation. With the objective of achieving its stated vision of becoming a world-class power utility, APGENCO is planning to launch a comprehensive organizational transformation exercise by implementing the ERP solution across the corporation.</p> <p>This requires critical planning in utilising APGENCO resources in most efficient and economical way and keep projects cost and in turn generation cost to minimum. To achieve this Management should have on hand accurate real time information in technical, commercial and financial aspects of the corporation for decision support. To achieve this, APGENCO management has decided to launch a massive organisational transformation programme by implementing ERP across the corporation. This will definitely bring major break through in organisational working environment by implementing ERP and this type of system in place would optimise in sharing/using the resources in most economic way across APGENCO.</p>		



<b>IV</b>	<b>IT Strategy</b>
	<p>It is envisaged that APGENCO's business transformation will result in new business processes through extensive process change as it seeks improved efficiency, expansion into new markets, adoption of new technologies for expansion and improving its operation efficiencies etc. APGENCO's IT strategy has been developed based on the business strategy. In line with this strategy, APGENCO is seeking to replace the current in-house developed systems in the major power plants, corporate office with a centralised, packaged ERP solution</p> <p>The key reason for seeking a centralised, packaged ERP solution is that the existing in-house applications are disparate, lack seamless integration and have become very complex to extend to new business processes. Therefore, it is desired to establish an integrated business applications architecture based on an ERP backbone that will support APGENCO IT strategy and will in turn move its business strategy forward.</p> <p>APGENCO, accordingly, as a initial move it is planning and studying the existing process across the corporation.</p>
<b>V</b>	<b>APGENCO Concerned Areas</b>
	<ul style="list-style-type: none"> <li>• Plant Operations &amp; maintenance</li> <li>• Service management</li> <li>• Planning &amp; Project management for New Projects</li> <li>• Generation scheduling</li> <li>• HR management</li> <li>• Logistics</li> <li>• Finance, Accounts &amp; Costing</li> <li>• Assets Management</li> <li>• Metering, Billing &amp; Commercial operations</li> <li>• Corporate performance measurement &amp; monitoring including business intelligence             <ul style="list-style-type: none"> <li>- Operational indicators</li> <li>- Financial indicators</li> <li>- Non-financial indicators</li> </ul> </li> </ul>



VI	Key benefits expected in implementation of ERP
	<ul style="list-style-type: none"><li>■ Better technology support of business processes.</li><li>■ Efficiency benefits, cost reductions and reduced risk by refreshing targeted older technology platforms.</li><li>■ Improved real time information enabled decision support.</li><li>■ Improved planning and forecasting abilities.</li><li>■ Improved business processes supported by more sophisticated process automation.</li><li>■ Move from point to point interfaces to seamless integration.</li><li>■ A stronger and more unified view of the enterprise.</li><li>■ Strengthened data integrity.</li><li>■ Strengthened business continuity capabilities.</li><li>■ Scalability for quick response to growth and diversification strategies.</li><li>■ Flexibility to change business processes, in response to external and internal changes, designed to meet strategic business goals.</li><li>■ Need for uniform processes across companies.</li><li>■ Need for comprehensive infrastructure</li><li>■ Managing the complexities being faced in the industry</li><li>■ Timely and accurate MIS</li><li>■ Communication across all offices &amp; Plants</li><li>■ Regulatory framework enforced changes to business model</li><li>■ Critical business drivers for power industry</li><li>■ Need to increase asset utilization and reliability</li><li>■ Need to reduce costs throughout value chain</li><li>■ Need for continuous streamlining of operations</li><li>■ Competition and increasing customer expectations</li></ul>

<b>VII</b>	<b>Project Functional Scope</b>
	<p>The functional processes are categorized as</p> <ul style="list-style-type: none"> <li>■ <b>Core Processes</b> <ul style="list-style-type: none"> <li>□ Corporate Planning</li> <li>□ Project Planning, Scheduling and Execution</li> <li>□ Engineering, Procurement and Commissioning</li> <li>□ Corporate Contracts &amp; Purchases including e-procurement</li> <li>□ Logistics (Stores Management, Transport, Services etc.)</li> <li>□ Plant level Procurement, Materials</li> <li>□ Plant Operations</li> <li>□ Plant Maintenance</li> <li>□ Enterprise Asset management</li> <li>□ Fuel Management</li> <li>□ Commercial Operations</li> <li>□ Finance, Accounts and Costing (including Payroll)</li> </ul> </li> <li>■ <b>Other Processes</b> <ul style="list-style-type: none"> <li>□ HR management</li> <li>□ Retirements and Pensions/Employee Separations</li> <li>□ Legal, Secretarial and Administration</li> <li>□ Fire &amp; Safety</li> <li>□ Security and Vigilance</li> <li>□ Corporate Communications</li> <li>□ Healthcare</li> <li>□ Environment</li> <li>□ Ash Utilization</li> <li>□ MIS/EIS Decision Support systems</li> <li>□ Work Flow</li> <li>□ Document Management system</li> <li>□ Knowledge &amp; Content Management</li> </ul> </li> </ul>



<b>VIII Project Organization and Setup</b>			
<b>Project Apex Committee (Executive Sponsor)</b>			
1.	Sri Ajay Jain IAS	Managing Director	Chairman
2.	Sri D. Prabhakara Rao	Director Finance	Member
3.	Sri G. Adishesu	Director Hydel	Member
4.	Sri U.G. Krishna Murthy	Director Technical	Member
5.	Sri G. Vamana Rao	Director HR	Member
6.	Sri C. Radha Krishna	Director Thermal	Member
<b>Steering Committee</b>			
1.	Sri D. Prabhakara Rao	Director Finance	Chairman
2.	Sri G. Vamana Rao	Director HR	Member
3.	Sri C. Radha Krishna	Director Thermal	Member
4.	Sri D. Suryanarayana	CGM (ADM)	Member
5.	Sri Ch.V.S. Ramachandran	C.E. GEN-I	Member
6.	Sri B.S. Mohan Kumar	FA&CCA Accounts	Member
7.	Sri S. Srinivasa Rao	FA&CCA Audit	Member
8.	Sri Ch. Venkata Rajam	C.E. Projects	Member
9.	Sri K. Ratna Babu	C.E. Civil Thermal	Member
10.	Sri G. Kishore Babu	C.E. GEN-II	Member
11.	Sri G. Adinarayana	Company Secretary	Member
12.	Sri A .Rama Rao	Executive Director/IS	Member Convener



<b>Project Director</b>			
1	Sri. A.Rama Rao	Executive Director/IS	
<b>Project Lead</b>			
1	Sri P. Ashok Kumar Reddy	DE/IT/Dr.NTTPS	Project Manager
2	Sri A. Ramesh	DE/IT/KTPS Stg V	Project Coordinator
3	Smt V. Arudhra	DE/IT/HO	Project Coordinator (HO Implementation)
4	Sri Srinivas	DE/IT/KTPS O&M	Project Coordinator (Plant Implementation)
<b>Project Core Team</b>			
<b>Functional</b>			
1	Sri B.N.Prabhakar	DE/T O/o ED/IS	Purchase & Contracts
2	Sri V. Deva Prasad	DE/SS&T/NTTPS	Stores & transport
3	Sri N.V. Krishna Kumar	ADE/RTPP	Purchases
4	Sri A. Srinivasa Rao	ADE (Promote) /Fuels/NTTPS	Fuels
5	Sri K.Chandra Sekara Rao	DE/MPP/HO	HR & Admin
6	Sri D.Nageswara Rao	DM/HR/KTPS(O&M)	HR & Admin
7	Sri P. Venkateswara Rao	DE/EME/GEN1/HO	Purchase & Contracts
8	Sri K. Madhava Sarma	ADE/LR/NTTPS	Plant Operations & Maintenance
9	Sri R. Anil Kumar	ADE/TM/KTPS StgV	Plant Operations & Maintenance
10	Sri G. Madhava Kumar	ADE/Stores/KTPS O&M	Plant Operations & Maintenance
11	Sri V. Vijaya Kumar	SAO/Pay & Accts/HO	Finance & Accounts
12	Sri Sree Ranganayakulu	SAO/Loans/HO	Finance & Accounts
13	Smt T. Radhika	AO/NTTPS	Finance & Accounts
14	Smt. Kalpana	ADE/GEN-I/HO	Plant Operations & Maintenance

	<b>Technical</b>		
1	Sri Ch.V.S. Ravisudhakar	ADE/CS/NTTTPS	
2	Sri P. Ravi kiran	ADE/Comp/HO	
3	Smt A. Radhika	AE/Comp/HO	
4	Sri CH. Gyana Prasad	AE/Comp/KTTPS O&M	
5	Sri Pradeep Reddy	AE/Comp/Ktps - V	
	<b>Hardware,Networking,WAN &amp; System Administration</b>		
1	Sri S.Nageswara Rao	ADE/IT/NTTTPS	
2	Sri K.Ramesh	ADE/Comp/HO	
	<b>Power Users</b> 60 Users are selected from different Locations Covering from the following functional areas for collection of Inputs, As - is Process documentation, Coordinate with the Core team for testing and User acceptance. These users shall assist the end users in final testing and Go-Live		
	<ul style="list-style-type: none"> <li>• Corporate Purchase and Contracts</li> <li>• Project Planning and Monitoring</li> <li>• Finance, Accounts and Costing</li> <li>• Commercial and Billing</li> <li>• HR and Administration</li> <li>• Plant Maintenance and Operations</li> <li>• Stores and Transport</li> <li>• Fuel Management</li> </ul>		
<b>IX</b>	<b>Project Office</b>		
	Project office is proposed to setup at APGENCO new building at Erragada, Hyderabad. A development center, Training and support centers are proposed to establish at these location		
<b>X</b>	<b>Project Implementation: Pilot Locations</b>		
	<ul style="list-style-type: none"> <li>• Dr. NTTTPS (VTPS)</li> <li>• Srisailam Hydro Power Station</li> <li>• APGENCO Corporate Office</li> <li>• <b>GO-LIVE DATE AT THE PIOLT LOCATIONS 09.09.09</b></li> </ul> <p>After Go-Live at Pilot Location then the Implementation shall be continued at Other Locations</p>		

